

0008

Outgoing
C0070039
x

From: Suzanne Steab
To: esass@archcoal.com
CC: Daron Haddock; Dave Darby; Jim Smith
Date: 2/11/2009 12:05 PM
Subject: 2008 Annual Report
Attachments: Dugout Canyon Mine C0070039.doc; AnnualReportLetter.pdf

Hello,

Attached is the 2008 Annual Report for Dugout Mine C0070039 and the Annual Report letter.

Thanks

Letter is in
General ~~File~~ File



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

COPY

General

OK

February 11, 2009

All Coal Operators

Subject: 2008 Coal Mining Annual Reports for Active and Inactive Coal Mines, Outgoing File

Dear Sirs:

Enclosed, please find an updated 2008 Annual Report document. This single document is to be used by the operator, the inspector, and the DOGM staff. This 2008 Annual Report document is being sent in a format that is compatible with most word-processing programs, and you should be able to open the file and enter your information directly into the form electronically. When completed, it can be submitted to the Division electronically. If for some reason you cannot make use of this electronic format, please fill out a hard copy and mail it to the Division at:

Utah Division of Oil, Gas and Mining
1594 W. North Temple, Suite 1210
Post Office Box 145801
Salt Lake City, Utah 84114-5801.

The 2008 Annual Report form includes entries for regulatory requirements, such as annual impoundment certification; however, many Mining and Reclamation Plans include unique, mine-specific commitments that also must be reported annually. The Division has compiled these commitments for each mine and incorporated them into a 2008 Annual Report form that is distinct for each mine. Both these commitments and the regulatory requirements need to be addressed in the 2008 Annual Report. Timing for the 2008 Annual Report submittal is outlined below.

- The Division will send out 2008 Annual Report forms by February 28, 2009.
- The Operator will submit the required information by May 15, 2009.
- The Inspectors will review 2008 Annual Report information during a complete inspection by July 31, 2009. If required information is not included, the Division can initiate enforcement and compliance action.
- If the Inspector determines that more review is needed of a specific item, the Inspector will comment and forward the 2008 Annual Report to an assigned staff member.
- This additional review will be handled separately, as a Special Project, and completed by October 31, 2009.

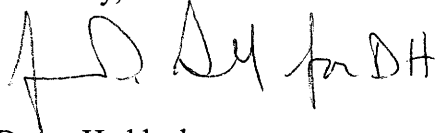


COPY

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All Coal Operators
February 11, 2009

If you have any questions, please call me at (801) 538-5325 or Dave Darby at (801) 538-5341.

Sincerely,

A handwritten signature in black ink, appearing to read "Daron Haddock" with a stylized flourish at the end.

Daron Haddock
Permit Supervisor

Enclosure
O:\AnnualReport\2008 Annual Reports\2008 Annual Report letter.jds.doc

This Annual Report shows information the Division has for your mine. Please review the information to see if it is current. If the information needs to be updated please do so in this document. At the end of each section the operator is asked to verify if the information is correct. Please answer these questions and make all comments on this document. Submit the completed document and any additional information identified in the Appendicies to the Division by April 30, 2009. During a complete inspection an inspector will check and verify the information. To enter text, click in the cell and type your response. You can use the tab key to move from one field to the next. To enter an X in a box, click next to the box, right click, and select properties, then the checked circle, then hit enter, or hit the unchecked circle if the X is to be removed.

GENERAL INFORMATION

Permittee Name	Canyon Fuel Company, LLC
Mine Name	Dugout Canyon Mine
Operator Name	NA
(If other then Permittee)	
Permit Expiration Date	March 16, 2013
Permit Number	C/007/0039
Authorized Representative Title	Erwin Sass, General Manager
Phone Number	(435) 637-6360
Fax Number	(435) 636-2897
E-mail Address	esass@archcoal.com
Mailing Address	P.O.Box 1029, Wellington, Utah 84542
Designated Representative	
Resident Agent	C.T. Corporation Systems
Resident Agent Mailing Address	50 West Broadway, Salt Lake City, Utah 84101
Number of Binders Submitted	

Operator, please update any incorrect information.

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-01890	Rock Canyon Seam	N/A
	42-01888	Gilson Seam	N/A
MSHA Impoundment(s)	N/A		
NPDES/UPDES Permit(s)	UT0025593	UPDES Discharge Permit and Storm Water Discharge Permit	November 20, 2009
PSD Permit(s) (Air)	DAQE-001-1999	Air Quality Permit	N/A

Other

MSHA Mine ID(s)	1211-UT-09-01890-01	Refuse Pile	N/A

Operator, please update any incorrect information.

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included	or	DOGM file location Vol, Chapter, Page
	Yes	No			
Excess Spoil Piles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Refuse Piles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Other					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Operator Comments:

Inspector:

Has the operator complied with this section? Yes ☐ No ☐

Inspector Comments:

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If the particular section is blank, no commitment has been identified and no response is required for this report. If additional written response is required, it should be filed under Appendix B to this report.

Admin R645-301-100

Soils R645-301-200

Title: WASTE ROCK SAMPLING

Objective: protection of ground and surface water and potentially substantiate lesser cover at the waste rock site

Frequency: One sample per 5,000 cu yds taken to the waste rock site.

Status: Material stored at the mine site for a "short period of time".

Reports: To be submitted with the annual report (*and to be included in RA Attachment 5-4?). Acid/toxic material to be buried within 30 days.

Citation: Chap. 5, Sec. 513.400., Sec. 528.300, Sec. 536 and Refuse Pile Amendment. Volume Section 536.

Operator: Has this commitment been acted on this year?

Yes ☐ No ☐ Not required this year. ☐ If yes, comment;

Operator Comments:

Inspector:

Has the operator complied with this commitment? Yes ☐ No ☐

Inspector Comments:

Biology R645-301-300

Title: ANNUAL OVERFLIGHT RAPTOR SURVEYS.

Objective: Obtain baseline data prior to mining disturbances including subsidence of cliff habitat. Conduct follow-up surveys within one year if nests were observed during the baseline surveys and if operations resulted in subsidence.

Frequency: Annually.

Status: On going.

Reports: Annual Reports. Citation: Vol. Chap 3, Sec. 322, p. 3-13.

Operator: Has this commitment been acted on this year?

Yes ☐ No ☐ Not required this year. ☐ If yes, comment;

Operator Comments:

Inspector:

Has the operator complied with this commitment? Yes ☐ No ☐

Inspector Comments:

Title: RAPTOR NESTS AND SUBSIDENCE.

Objective: Permittee and agencies will determine, nine months or the summer period prior to potential subsidence, methods of avoidance, protection or removal, and mitigation plans for raptor nests within the subsidence zone.

Frequency: Lease/project dependent.

Status: On going.

Reports: Annual Reports will provide over-flight results.

Citation: Vol. Chap 3, Sec. 332, p. 3-21, Sec. 333.300, p. 3-33, 3-34; Vol. Degas Wells, Sec. 322.200, p. 3-6; Condition 10 of March 16, 1998 permit.

Operator: Has this commitment been acted on this year?

Yes ☐ No ☐ Not required this year. ☐ If yes, comment;

Operator Comments:

Inspector:

Has the operator complied with this commitment? Yes ☐ No ☐

Inspector Comments:

Landuse, Cultural Resources, Air Quality R645-301- 400

Engineering R645-301-500

Title: SUBSIDENCE MONITORING VISUAL INSPECTIONS.

Objective: Check for surface subsidence features.

Frequency: Annually.

Status: On going.

Reports: Annual Report.

Citation: 525.100 (Subsidence Monitoring)

Operator: Has this commitment been acted on this year?

Yes ☐ No ☐ Not required this year. ☐ If yes, comment;

Operator Comments:

Inspector:

Has the operator complied with this commitment? Yes ☐ No ☐

Inspector Comments:

Title: WASTE ROCK SAMPLING.**Objective:** protection of ground and surface water and potentially substantiate lesser cover at the waste rock site.**Frequency:** One sample per 5,000 cu yds taken to the waste rock site.**Status:** Material stored at the mine site for a "short period of time"**Reports:** To be submitted with the annual report (*and to be included in RA Attachment 5-4). Acid/toxic material to be buried within 30 days.**Citation:** Chap. 5, Sec. 513.400., Sec. 528.300, Sec. 536 and Refuse Pile Amendment Volume Section 536.**Operator:** Has this commitment been acted on this year?Yes ☐ No ☐ Not required this year. ☐ If yes, comment;**Operator Comments:****Inspector:**Has the operator complied with this commitment? Yes ☐ No ☐**Inspector Comments:**

Geology R645-301-600

Hydrology R645-301-700

Title: SEDIMENT CONTROL**Objective:** Construction activities will not occur during major precipitation events and siltation structures will be installed prior to beginning site construction.**Frequency:** After heavy precipitation events.**Status:** On-going.**Reports:** Annual.**Citation:** Methane Degasification Amendment, Chapter 7, Page 7-16.**Operator:** Has this commitment been acted on this year?Yes ☐ No ☐ Not required this year. ☐ If yes, comment;**Operator Comments:****Inspector:**Has the operator complied with this commitment? Yes ☐ No ☐**Inspector Comments:**

Bonding & Insurance R645-301-800

Other Commitments

*Reminder: If equipment has been abandoned during 2008, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

REPORTING OF TOHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

Operator Comments:

Inspector:

Has the operator complied with this section? Yes ☐ No ☐

Inspector Comments

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

Legal / Financial Update	Required		Included or Included	DOGM File location Vol, Chapter, Page	Comments
	Yes	No			
Department of Commerce, Annual Report Officers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Other					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Operator Comments:

Inspector:

Has the operator complied with this section? Yes ☐ No ☐

Inspector Comments:

MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2008, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential. (Please provide a CD.)

Confidential information is limited to:

R645-300-124.310. Information that pertains only to the analysis of the chemical and physical properties of the coal to be mined, except information on components of such coal which are potentially toxic in the environment.

R645-300-124.330. Information on the nature and location of archeological resources on public land and Indian land as required under the Archeological Resources Protection Act of 1979 (P. L. 96-95, 93 Stat. 721, 16 U.S.C. 470).

R645-301-322, Fish and Wildlife Information; R645-301-322.100, the scope and level of detail for such information will be determined by the Division in consultation with state and federal agencies with responsibilities for fish and wildlife and will be sufficient to design the protection and enhancement plan required under R645-301-333 and R645-301-322.230, other species or habitats identified through agency consultation as requiring special protection under state or federal law; R645-301-333.300, Include protective measures that will be used during the active mining phase of operation.

The Division will provide procedures, including notice and opportunity to be heard for persons both seeking and opposing disclosure.

Map Number(s) Map Title/ Description

Annual subsidence map			
Mine map			
Other maps		Confidential	
		Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

Operator Comments:

Inspector:

Has the operator complied with this section? Yes ☐ No ☐

Inspector Comments:

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

Additional attachment to this report?

Yes ☐

No ☐

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Operator Comments:

Inspector:

Has the operator complied with this section? Yes ☐ No ☐

Inspector Comments:

O:\AnnualReport\2008 Annual Reports\Operator Annual Reports (Initial Outgoing)\Active Mines\Dugout Canyon Mine C0070039.doc

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS

APPENDIX C

Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS